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SUBJECT: MEDIA REACTION: CHINA'S SECURITY, G20 SUMMIT, GLOBAL
ECONOMY

Editorial Quotes

11. CHINA'S SECURITY

"Hu Jintao explained China's new security concepts at the UN General Assembly"

The Shanghai-based Shanghai Media Group (SMG) publication, China Business News (Diyi Caijing)(09/25)(pg A2): "Wang Yizhou, a professor at Beijing University's Institute of International Relations, said that China is currently facing more and more non-traditional security threats, such as terrorism, religious extremism and ethnic separatism; financial risks; and new infectious diseases, like SARS, H1N1, and other influenza. The increasing importance of non-traditional security issues highlights the close connection between China's economic development and various economic security issues, including energy, environment, and information security. China's call for 'new security concepts' is due to the current challenges it faces and the nature of these non-traditional security threats. Bilateral channels have usually been used to address traditional security issues; however, in response to new security threats, we need to strengthen our multilateral cooperation."

12. G20 SUMMIT

"'Exit strategy' difficult to implement; 'de-globalization' threatens trade stability"

Guangdong 21st Century Publishing Company Ltd.'s business newspaper 21st Century Business Herald (21Shiji Jingji Baodao)(09/25)(pg 2): "Before the G20 summit, Obama laid out a proposal to establish a 'sustainable and balanced growth framework,' the main focus of which was to expand domestic demand in surplus countries, and a proposal to establish mechanisms to review national economic policies. If we connect his proposals to the recent Sino-U.S. tire trade dispute, we can conclude that the 'cooperation honeymoon' between countries during this crisis has ended. It seems that the current round of the crisis has not only triggered global de-leverage and de-inventory, but also 'de-globalization.' The worst case post-recovery scenario for China would be for the global economy to remain unbalanced and there to be increasingly severe protectionism, both of which would pose a serious challenge to China's monetary policy. As connected economies, it is critical that the U.S. and China actively work to fix the post-financial crisis unbalanced economic structure. Now that the economic model of the 1980s has been destroyed, it will be a long process to build the foundation for a new economic model. Therefore, the U.S. and China must make common effort to construct a buffer zone for economic structural adjustment. The Chinese central bank's major policy in the future should be stabilizing the suddenly steep credit rates, which requires stable external demand."

13. GLOBAL ECONOMY

"China should be wary of any sudden change to the global economic situation"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(09/25)(pg 14): "China's economic recovery will not be easy or fast. China will undergo a significant economic transition. No one can predict when the recovery turning point will be, but everyone knows that while the storm is over the clouds still remain. It has become even harder for G20 countries to reach common views and take consistent action. For China, the period of economic development based solely on exports has passed. China needs to explore new markets and find new sources of economic growth. The negative influence of the global financial crisis combined with the challenges of economic transition has put China through a very difficult time. At this point, China's goal should not be trying to be the first to recover, but rather should be finding a path to sustainable development. "

HUNTSMAN